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Laventhol & Horwath
Certified Public Accountants

B5050-4

NATIONAL TREND OF BUSINESS
Lodging Industry

A SERVICE TO THE CLIENTS OF LAVENTHOL & HORWATH

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NOVEMBER 1986 COMPARED WITH NOVEMBER 1985

	Projections	Actual Last Year
January 1987	55-57%	55.0%
February 1987	63-65%	65.1%
March 1987	66-68%	66.5%

OCCUPANCY RATES INCREASE FIFTH STRAIGHT MONTH

For the fifth consecutive month occupancy rates rose over the comparable month of last year as the occupancy rate for November, reported at 60.9 percent, increased 1.2 percent over last November. This recent surge in occupancies is led almost primarily by the eastern part of the United States, as both the Northeast and Southeast regions of the nation posted substantial gains. The other three regions of the country continue to have lackluster years, with all three posting declines from November of last year. The year-to-date national rate stands at 65.9 percent, an increase of 0.3 percent over the first eleven months of 1985.

The average daily rate paid for a room during November was $63.84, an increase of 4.3 percent from a year ago. This rate of increase exceeds the 1.3 percent growth for all consumer goods and services as measured by the Consumer Price Index. The Northeast region continues to have the highest regional average rates, $96.53, while the North Central region indicates the least expensive average rate, $47.22 per day. The national room rate year-to-date of $62.02, is 3.6 percent above the comparable 1985 level.

Total sales during November rose 2.4 percent for lodging establishments, while room sales increased 3.4 percent compared with November of last year. Year-to-date total sales are 4.4 percent higher than during 1985.

Food and beverage operations indicated a 3.3 percent decline in the number of covers served for November, although F&B sales per occupied room rose slightly. Year-to-date covers through November are down 0.8 percent from one year ago.

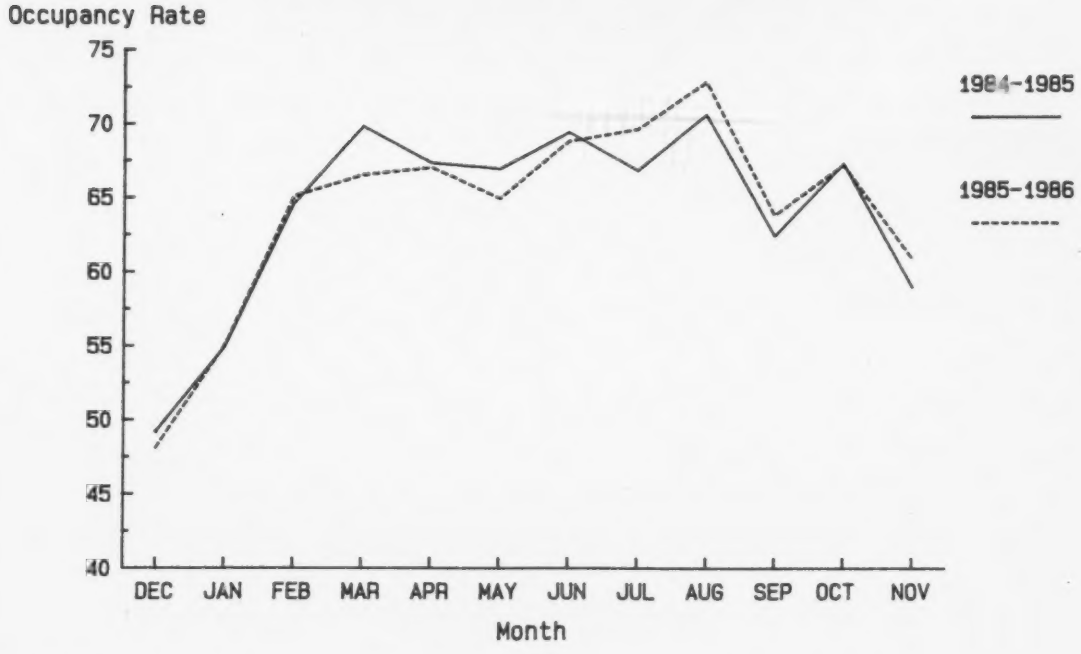
SEASONALLY ADJUSTED OCCUPANCY RATES FOR THE MAJOR CLASSIFICATIONS

	This Month	Percentage Changes*
TOTAL U.S.A.	64.1%	2.9%
AFFILIATION:		
Chain	64.5	2.1
Independent	64.9	5.9
AREA:		
Northeast	75.0	2.9
Southeast	66.6	-0.9
North Central	58.7	-5.8
South Central	55.8	3.0
West	63.9	-2.6
LOCATION:		
Center City	63.4	1.9
Suburban	58.7	-3.6
Highway	62.7	3.3
Airport	70.0	3.2
Resort	71.0	10.4
SIZE:		
Under 150 rooms	61.2	-0.8
150 to 299 rooms	59.2	-2.6
300 to 600 rooms	63.9	3.7
Over 600 rooms	71.6	8.6
TYPE:		
Hotel	66.3	4.9
Motor Hotel	60.0	1.5
Economy	62.8	0.5

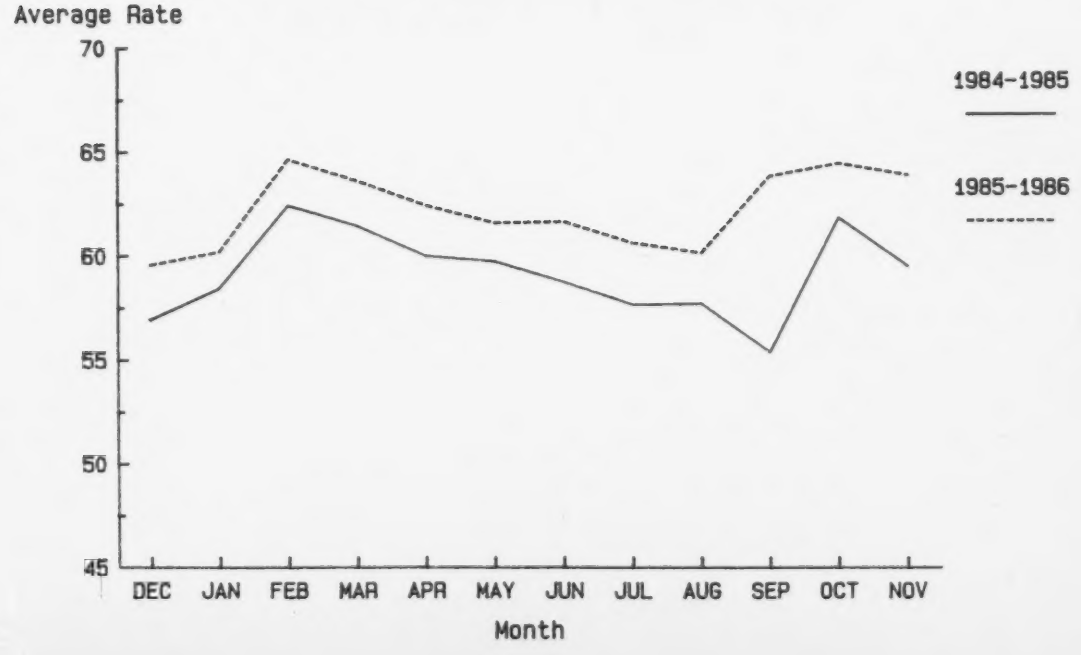
* FROM PREVIOUS MONTH

Bill Evans, Senior Analyst
Research and Development

NATIONAL OCCUPANCY RATE
DECEMBER 1984 - NOVEMBER 1985
DECEMBER 1985 - NOVEMBER 1986



NATIONAL AVERAGE ROOM RATE
DECEMBER 1984 - NOVEMBER 1985
DECEMBER 1985 - NOVEMBER 1986



TREND REPORT NOVEMBER 1986 COMPARED WITH NOVEMBER 1985

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	NOV	% CHG	NOV	% CHG	NOV	% CHG	NOV	% CHG
TOTAL	2.4	3.4	0.1	4.1	60.9	1.2	54.1	4.2	$ 63.84	4.3	$ 98.67	3.4
REGION:												
Northeast	9.0	11.0	4.7	7.1	78.2	4.5	42.8	7.3	$ 96.53	8.0	$142.48	6.1
Southeast	11.3	12.6	9.3	10.4	61.3	10.1	83.5	1.5	57.10	3.6	96.02	2.4
North Central	-6.9	-7.3	-7.1	-3.3	58.2	-4.9	40.2	-8.8	47.22	2.5	74.28	3.0
South Central	-8.5	-8.2	-9.8	-3.9	53.0	-5.2	38.8	2.1	55.22	1.1	84.27	0.8
West	-2.0	-0.6	-4.4	-6.5	59.1	-2.5	46.7	5.7	60.43	1.4	89.62	0.1
AFFILIATION:												
Chain	0.8	2.0	-1.9	0.8	61.1	0.8	51.7	3.2	$ 62.23	3.8	$ 94.30	2.6
Independent	9.1	9.5	7.1	15.8	60.0	2.6	63.2	7.8	71.53	6.4	119.51	6.0
LOCATION:												
Center City	2.4	3.1	0.7	2.1	64.2	-0.6	44.0	6.5	$ 81.06	6.9	$119.58	6.2
Suburban	-3.3	-1.3	-8.8	0.5	54.6	-3.5	40.9	4.6	50.88	2.6	75.05	0.5
Airport	-2.5	-2.3	-3.7	1.8	65.2	1.2	32.5	-2.4	55.36	0.7	87.18	0.5
Highway	-2.8	-1.7	-5.4	-4.8	56.6	-	68.9	3.5	42.27	0.5	59.68	-0.7
Resort	12.4	15.8	7.9	10.8	62.6	11.6	90.8	-0.3	72.61	4.0	131.01	0.9
SIZE:												
UNDER 150 ROOMS	-0.1	0.4	-1.6	-0.4	55.3	-3.3	59.0	4.8	$ 43.10	3.4	$ 58.26	2.9
150 - 299 ROOMS	-1.9	-1.6	-4.0	5.4	56.3	-	52.0	6.3	50.12	1.8	77.12	1.6
300 - 600 ROOMS	-	1.4	-2.2	-2.1	61.2	1.3	47.5	3.9	68.59	3.3	112.04	1.8
OVER 600 ROOMS	9.0	10.1	6.5	9.2	73.5	5.9	60.0	2.7	90.75	4.9	139.94	3.9
TYPE:												
Hotel	3.5	4.6	1.1	5.0	64.8	2.5	49.4	3.6	$ 76.93	5.0	$124.56	3.9
Motor Hotel	-5.2	-4.9	-6.3	-3.7	54.7	-2.5	56.1	2.6	42.24	0.7	57.74	0.4
Economy	11.6	13.0	-2.7	-8.9	56.1	2.2	70.8	12.0	32.33	2.1	34.77	0.8
All Suites	17.6	21.5	6.6	15.5	64.6	7.1	100.5	4.8	67.60	4.6	94.34	1.2

- NO CHANGE

YEAR TO DATE TREND REPORT - AS OF NOVEMBER 1986

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	NOV	% CHG	NOV	% CHG	NOV	% CHG	NOV	% CHG
TOTAL	4.4	5.1	1.8	4.1	65.9	0.3	54.8	2.6	$ 62.02	3.6	$ 92.63	2.9
REGION:												
Northeast	8.2	9.3	5.4	7.7	75.1	3.7	43.6	0.2	$ 89.25	6.0	$128.54	5.0
Southeast	7.2	8.4	4.5	7.5	69.1	4.5	85.3	3.4	62.01	3.0	95.20	1.9
North Central	2.7	3.7	0.3	2.9	64.1	-1.4	41.6	3.2	49.94	4.9	75.73	3.9
South Central	-5.0	-5.0	-5.1	-4.1	55.4	-4.5	40.9	-0.5	52.38	-0.3	77.38	-0.2
West	6.1	6.6	2.0	1.8	68.7	-1.0	50.8	0.6	60.42	2.6	90.57	2.2
AFFILIATION:												
Chain	4.1	4.7	1.3	4.1	66.0	0.3	51.8	1.8	60.66	3.2	88.89	2.6
Independent	5.5	6.7	3.2	4.0	65.4	0.5	66.6	5.4	68.21	5.3	109.48	4.1
LOCATION:												
Center City	5.7	6.4	3.4	5.1	65.2	1.6	45.9	1.5	75.92	4.6	112.78	3.9
Suburban	-0.7	1.0	-4.9	-1.0	63.4	-3.1	44.8	4.4	53.48	2.2	78.37	0.5
Airport	4.2	4.2	-0.6	2.9	68.3	-0.1	33.6	-0.3	55.86	2.4	82.97	2.4
Highway	0.6	1.4	-2.5	2.0	65.0	-1.7	63.4	3.9	42.76	1.8	57.70	1.0
Resort	8.8	9.9	7.0	7.1	69.4	4.5	100.0	1.2	74.55	3.1	123.48	2.1
SIZE:												
UNDER 150 ROOMS	1.8	2.3	-1.0	1.7	64.9	-2.1	64.1	4.1	$ 42.51	3.2	$ 54.11	2.8
150 - 299 ROOMS	1.4	2.2	-1.9	2.3	63.7	-1.2	50.5	3.3	53.76	2.7	79.22	1.9
300 - 600 ROOMS	3.8	4.8	1.7	3.2	65.3	1.1	51.4	3.0	68.39	2.7	107.57	1.7
OVER 600 ROOMS	9.2	10.0	6.2	7.0	71.6	4.2	58.6	0.3	86.36	3.3	133.07	2.6
TYPE:												
Hotel	5.5	6.4	2.7	4.8	66.7	1.5	50.4	0.6	73.25	3.7	115.60	2.8
Motor Hotel	-0.3	0.2	-2.5	0.3	64.2	-2.1	60.3	4.5	47.37	2.0	64.16	1.4
Economy	5.9	6.0	3.0	1.2	64.5	-1.5	69.3	6.5	31.41	3.4	32.53	3.2
All Suites	11.1	13.3	3.6	6.7	69.4	4.2	72.9	10.0	71.91	2.9	96.33	0.9

TWELVE MONTH TREND REPORT - AS OF NOVEMBER 1986

	SALES PERCENT CHANGE				OCCUPANCY PERCENT		DOUBLE OCCUPANCY PERCENT		ROOM SALES PER OCCUPIED ROOM		TOTAL SALES PER OCCUPIED ROOM	
	TOTAL	ROOMS	F&B	OTHER	NOV	% CHG	NOV	% CHG	NOV	% CHG	NOV	% CHG
TOTAL	4.2	4.9	1.6	4.0	64.4	0.2	54.6	2.6	$ 61.87	3.7	$ 93.17	2.9
REGION:												
Northeast	7.7	9.0	4.5	7.4	73.8	3.4	43.6	0.2	$ 89.31	6.0	$129.48	4.8
Southeast	7.0	8.2	4.3	7.4	67.7	4.3	85.3	3.3	61.90	3.0	95.54	1.9
North Central	2.6	3.6	0.2	2.9	62.1	-1.3	41.7	3.7	49.67	4.9	76.56	3.9
South Central	-4.9	-5.1	-4.9	-3.3	53.9	-4.8	40.8	-0.7	52.22	-0.1	77.90	-
West	5.8	6.3	2.0	1.4	67.4	-0.7	50.5	0.6	60.01	2.7	90.73	2.2
AFFILIATION:												
Chain	3.8	4.5	1.1	4.1	64.4	0.2	51.7	1.8	60.55	3.2	89.53	2.6
Independent	5.4	6.6	3.1	3.9	64.1	0.5	66.1	5.1	67.90	5.3	109.78	4.1
LOCATION:												
Center City	5.3	6.1	2.8	5.0	63.8	1.4	45.9	1.5	75.84	4.6	113.71	3.8
Suburban	-0.9	0.6	-4.6	-0.6	61.7	-3.1	44.4	4.0	53.26	2.2	79.09	0.7
Airport	4.1	4.2	-0.1	2.9	67.1	-0.1	33.4	-	55.64	2.5	83.37	2.5
Highway	0.5	1.3	-2.4	1.4	63.4	-1.7	63.3	4.1	42.57	1.8	57.97	1.0
Resort	8.6	9.7	6.8	6.8	67.9	4.1	100.3	1.2	74.36	3.2	123.61	2.1
SIZE:												
UNDER 150 ROOMS	1.7	2.1	-1.1	1.4	63.3	-2.2	63.7	4.4	$ 42.24	3.2	$ 54.10	2.7
150 - 299 ROOMS	1.3	2.0	-1.8	2.3	62.2	-1.3	50.3	3.3	53.55	2.7	79.72	2.0
300 - 600 ROOMS	3.6	4.6	1.7	3.0	63.8	0.8	51.3	3.0	68.01	2.8	108.00	1.8
OVER 600 ROOMS	8.7	9.6	5.4	6.9	70.1	4.0	58.4	0.5	86.35	3.4	133.82	2.5
TYPE:												
Hotel	5.3	6.2	2.5	4.8	65.3	1.6	50.3	0.8	73.08	3.7	116.36	2.9
Motor Hotel	-0.5	0.1	-2.7	0.1	62.6	-2.2	60.0	4.7	47.23	2.0	64.50	1.4
Economy	5.5	5.6	3.0	0.4	62.8	-1.6	68.8	6.0	31.28	3.4	32.36	3.3
All Suites	10.6	12.7	3.2	6.7	68.3	3.6	73.2	10.2	71.80	3.1	96.36	1.1

FOOD AND BEVERAGE REPORT - NOVEMBER 1986 COMPARED WITH NOVEMBER 1985

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	% CHG
TOTAL	$37.83	$37.02	$10.36	$ 9.88	0.32	0.33	0.22	0.22	44.7	45.7	$ 6.53	$ 6.41	-3.3
REGION:													
Northeast	$42.46	$41.74	$12.93	$12.39	0.29	0.29	0.20	0.20	49.3	50.8	$ 9.35	$ 9.08	1.6
Southeast	37.82	37.28	10.10	9.38	0.33	0.35	0.23	0.23	39.0	42.1	5.66	5.77	3.0
North Central	32.04	30.32	8.89	8.50	0.34	0.35	0.22	0.22	39.3	39.6	4.85	4.76	-9.1
South Central	33.30	33.42	9.62	9.60	0.33	0.33	0.22	0.22	44.7	44.1	5.90	6.13	-6.9
West	40.30	39.26	10.03	9.57	0.32	0.33	0.22	0.21	52.9	50.1	6.82	6.20	-7.0
AFFILIATION:													
Chain	$34.10	$33.75	$10.10	$ 9.72	0.32	0.32	0.21	0.21	44.7	45.4	$ 6.34	$ 6.28	-4.0
Independent	58.08	55.91	11.56	10.65	0.33	0.35	0.23	0.23	44.6	46.6	7.66	7.23	-
LOCATION:													
Center City	$37.72	$36.28	$11.21	$10.97	0.30	0.30	0.20	0.20	47.0	48.1	$ 7.67	$ 7.70	-2.3
Suburban	32.56	32.04	9.07	8.71	0.35	0.35	0.24	0.23	42.9	41.5	5.40	5.15	-10.3
Airport	32.06	32.08	9.50	9.11	0.33	0.33	0.22	0.22	44.9	44.6	5.71	5.47	-6.8
Highway	27.33	27.74	8.42	8.08	0.36	0.35	0.24	0.24	41.1	40.9	4.64	4.48	-6.7
Resort	53.93	55.05	11.59	10.64	0.33	0.34	0.22	0.22	42.8	45.5	6.55	6.54	5.0
SIZE:													
UNDER 150 ROOMS	$39.75	$37.35	$ 8.52	$ 8.02	0.37	0.37	0.25	0.25	39.5	40.8	$ 4.69	$ 4.46	-4.3
150 - 299 ROOMS	29.41	28.86	8.87	8.43	0.36	0.36	0.24	0.23	43.3	43.6	5.34	5.22	-6.4
300 - 600 ROOMS	39.64	39.39	10.76	10.15	0.32	0.33	0.22	0.22	47.7	48.5	7.03	6.93	-3.8
OVER 600 ROOMS	43.35	42.73	12.04	11.88	0.29	0.30	0.19	0.19	43.1	44.5	7.58	7.63	1.5
TYPE:													
Hotel	$43.02	$42.19	$10.96	$10.50	0.32	0.32	0.21	0.21	44.6	45.8	$ 6.79	$ 6.73	-2.2
Motor Hotel	21.40	21.39	7.44	7.17	0.36	0.37	0.24	0.23	42.3	42.1	4.65	4.54	-8.3
Economy	12.30	14.23	7.78	6.04	0.37	0.41	0.27	0.28	48.9	57.6	5.08	4.56	-28.2
All Suites	55.31	55.14	11.95	11.23	0.32	0.34	0.25	0.26	57.4	56.6	10.62	9.93	3.5

YEAR TO DATE FOOD AND BEVERAGE REPORT - AS OF NOVEMBER 1986

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	% CHG
TOTAL	$34.54	$34.19	$ 9.80	$ 9.43	0.33	0.33	0.22	0.22	46.5	46.5	$ 6.29	$ 6.14	-0.8
REGION:													
Northeast	$36.72	$36.08	$11.69	$11.22	0.30	0.31	0.20	0.20	50.7	51.3	$ 8.28	$ 8.15	3.2
Southeast	34.53	34.60	9.97	9.49	0.33	0.33	0.22	0.23	42.8	43.0	6.10	5.90	1.1
North Central	32.13	31.53	8.30	8.16	0.33	0.34	0.22	0.22	43.3	43.2	4.89	4.81	-1.2
South Central	28.85	28.97	8.68	8.65	0.33	0.34	0.22	0.22	46.6	46.4	5.69	5.75	-4.0
West	39.20	38.71	10.06	9.59	0.33	0.33	0.23	0.22	49.0	48.8	6.42	6.19	-2.5
AFFILIATION:													
Chain	31.00	30.86	9.37	9.07	0.32	0.32	0.21	0.21	46.6	46.7	6.07	5.97	-0.7
Independent	52.69	51.14	11.34	10.72	0.34	0.34	0.23	0.23	46.2	45.9	7.20	6.84	-1.4
LOCATION:													
Center City	35.82	35.32	10.97	10.65	0.31	0.31	0.21	0.21	50.3	50.7	7.70	7.63	1.4
Suburban	28.86	29.08	8.13	8.04	0.35	0.35	0.23	0.23	45.4	44.7	5.11	5.03	-4.5
Airport	28.55	28.78	8.56	8.28	0.33	0.33	0.22	0.22	45.1	44.7	5.24	5.09	-2.1
Highway	26.52	26.96	7.92	7.71	0.35	0.35	0.24	0.24	42.6	42.3	4.45	4.32	-4.0
Resort	49.78	49.10	11.15	10.48	0.33	0.34	0.22	0.22	42.1	42.5	6.33	6.09	1.5
SIZE:													
UNDER 150 ROOMS	$33.80	$33.22	$ 7.66	$ 7.31	0.37	0.37	0.26	0.26	41.7	41.7	$ 4.29	$ 4.17	-4.0
150 - 299 ROOMS	28.45	28.37	8.08	7.85	0.35	0.35	0.23	0.23	45.6	45.3	5.07	4.95	-2.7
300 - 600 ROOMS	36.13	35.87	10.32	9.95	0.32	0.32	0.22	0.22	47.8	47.8	6.74	6.58	-0.7
OVER 600 ROOMS	40.37	40.13	11.97	11.58	0.30	0.30	0.20	0.19	46.6	47.2	7.84	7.76	2.8
TYPE:													
Hotel	38.67	38.31	10.38	9.98	0.32	0.32	0.22	0.21	47.1	47.2	6.71	6.54	-0.4
Motor Hotel	23.03	23.08	7.46	7.30	0.35	0.36	0.23	0.23	43.1	42.5	4.51	4.42	-3.0
Economy	14.56	15.16	*	*	0.28	0.29	*	*	*	*	*	*	*
All Suites	43.32	43.93	11.11	10.85	0.32	0.35	0.26	0.26	49.0	52.0	7.97	8.41	4.0

* INSUFFICIENT RESPONSE

TWELVE MONTH FOOD AND BEVERAGE REPORT - AS OF NOVEMBER 1986

	F&B SALES PER OCCUPIED ROOM		AVERAGE RECEIPT PER COVER		FOOD COST PERCENT OF FOOD SALES		BEV COST PERCENT OF BEV SALES		F&B PAYROLL PERCENT OF F&B SALES		F&B PAYROLL PER COVER		NUMBER COVERS SERVED
	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	1986	1985	% CHG
TOTAL	$35.39	$35.00	$ 9.86	$ 9.49	0.33	0.33	0.22	0.22	46.4	46.5	$ 6.34	$ 6.18	-0.9
REGION:													
Northeast	$37.69	$37.22	$11.77	$11.31	0.31	0.31	0.20	0.20	50.7	51.4	$ 8.42	$ 8.26	2.8
Southeast	34.99	35.03	10.03	9.55	0.33	0.33	0.22	0.23	42.9	43.0	6.14	5.93	1.1
North Central	33.55	32.90	8.47	8.32	0.34	0.34	0.22	0.22	43.3	43.1	5.02	4.93	-1.2
South Central	29.66	29.65	8.77	8.69	0.34	0.34	0.22	0.22	46.4	46.2	5.75	5.77	-4.5
West	40.03	39.43	10.06	9.59	0.33	0.33	0.22	0.22	48.7	48.5	6.38	6.16	-2.2
AFFILIATION:													
Chain	31.88	31.71	9.45	9.14	0.32	0.32	0.21	0.21	46.6	46.7	6.14	6.02	-0.8
Independent	53.50	51.98	11.35	10.74	0.34	0.34	0.23	0.23	46.0	45.9	7.20	6.85	-1.3
LOCATION:													
Center City	36.90	36.46	11.08	10.76	0.31	0.31	0.21	0.21	50.0	50.4	7.75	7.67	1.2
Suburban	29.96	30.03	8.28	8.14	0.35	0.35	0.23	0.23	45.1	44.5	5.19	5.09	-4.8
Airport	29.28	29.36	8.60	8.29	0.33	0.33	0.22	0.22	44.9	44.3	5.23	5.07	-1.8
Highway	27.46	27.86	8.01	7.76	0.37	0.37	0.25	0.24	43.5	43.1	4.67	4.52	-4.0
Resort	50.11	49.33	11.14	10.50	0.33	0.34	0.22	0.22	42.3	42.6	6.31	6.10	1.6
SIZE:													
UNDER 150 ROOMS	$34.72	$34.10	$ 7.75	$ 7.40	0.37	0.37	0.25	0.25	41.6	41.6	$ 4.34	$ 4.22	-4.2
150 - 299 ROOMS	29.28	29.11	8.17	7.92	0.35	0.35	0.23	0.23	45.3	45.0	5.12	4.98	-2.8
300 - 600 ROOMS	36.91	36.54	10.37	9.99	0.33	0.33	0.23	0.22	48.0	47.9	6.82	6.66	-0.7
OVER 600 ROOMS	41.19	41.10	12.03	11.65	0.30	0.30	0.19	0.19	46.6	47.1	7.87	7.77	2.6
TYPE:													
Hotel	39.60	39.22	10.45	10.05	0.32	0.32	0.22	0.21	47.1	47.2	6.77	6.59	-0.4
Motor Hotel	23.72	23.72	7.57	7.38	0.35	0.36	0.23	0.23	43.1	42.3	4.60	4.47	-3.4
Economy	14.41	15.03	*	*	*	*	*	*	*	*	*	*	*
All Suites	43.49	43.98	11.11	10.91	0.32	0.35	0.26	0.26	49.1	51.9	7.99	8.43	4.1

* INSUFFICIENT RESPONSE